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June 4, 2012

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: Written *Ex Parte* Communication

USF/ICC Order, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 01-92, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208

Dear Ms. Dortch:

Terral Telephone Company (Terral), hereby notifies the Commission of its intent to request a waiver of the Commission's changes to high cost universal service support adopted in the *USF/ICC Order*.¹ Terral is a small rural, incumbent local exchange carrier operating in Oklahoma. Terral serves approximately 215 access lines in a service territory of approximately 86 square miles. Federal universal service support is a necessary component of Terral's ability to provide high quality voice service and broadband service to its subscribers at reasonable rates.

Terral's cost consultants have calculated the impact to the company of the Commission's changes to high cost universal service support adopted in the *USF/ICC Order* and have projected a significant loss in the company's universal service funding. Over the next three years alone, Terral estimates that it will lose approximately \$138,796 in universal service support or \$645.56 per line in 2012; \$491,094 or \$2,284.16 per line in 2013; and \$676,070 or \$3,144.51 per line in 2014. Reductions in universal service support at these levels will impact the ability of the company to continue to provide high quality service to its subscribers.

¹ *Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link Up; Universal Service Reform – Mobility Fund; Report and Order and Further Notice of Proposed Rulemaking, WC Dockets No. 10-90, 07-135, 05-337, 03-109; CC Dockets No. 01-92, 96-45; GN Docket No. 09-51; WT Docket No. 10-208, released November 18, 2011.*

In addition, reductions in universal service support at these levels will affect Terral's ability to meet its debt service obligations. Specifically, Terral's ability to meet its current loan obligation to RUS is in jeopardy.

In order to continue to service its debt obligations and provide high quality service to its subscribers, Terral's revenue stream must be maintained. At least for the near term, this will require the continuation of federal universal service support at existing levels. Accordingly, Terral will seek a waiver of the *USF/ICC Order*, as outlined in that order. Terral anticipates that it will file its request for a waiver in the near future.

Sincerely,

A handwritten signature in black ink, appearing to read "Dick R. Segress", with a long horizontal line extending to the right.

Dick R. Segress
President/GM